

Amendments to the Specification:

Page 3, line 16, please amend the paragraph as follows:

Accordingly, what is needed is ~~a~~an improved method and system for transferring files in a public peer-to-peer network when file transfers occur between computers belonging to a common private network. The present invention addresses such a need.

Page 9, line 4, please amend the paragraph as follows:

After the client node 14 establishes a TCP/IP connection, the server 12 obtains the client IP address and the subnet mask from the TCP/IP packet, and determines the peer IP address of the client node 14 by sending a probe message to the client node 14 and observing what IP address the client node 14 is connecting from in step 104. Thereafter, a registration process is initiated whereby the client node's 14's peer IP address, client IP address, and subnet mask node are registered in the node registry 30 in step 106.

Page 11, line 7, please amend the paragraph as follows:

According to the present invention, instead of just displaying a list of matching file names on all nodes throughout the network 10, the server node 12 further determines whether there are any target nodes within the same private network as the requesting node by looking up the requesting node and the target node in the node registry 30 in step 152. If the node registry 30 indicates that NAT has been performed on both nodes and ~~at that~~ the peer IDs of both nodes match in step 154, then the target node is considered to be within the same network as the requesting client node and therefore "locally reachable" through its local client IP address from the requesting client

node in step 158.

Page 12, line 1, please amend the paragraph as follows:

If the target node is not locally reachable (not within the same private network as the requesting node), then it is determined whether the requesting node can communicate directly with the target node by looking up the requesting and target nodes in the node registry 30 to determine if it is registered as being directly reachable through its peer ID in step 162. If the target node is directly reachable, the target node is added to the list of search results in step 164. If none of the conditions above are not met, then it is determined that the client node 14 containing file is not reachable from the requesting node.